

City of Gaithersburg Community Development Block Grant Annual Action Plan

July 1, 2019 – June 30, 2020

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Community Development Block Grant Program (CDBG) has, as its primary objective, the development of viable urban communities. In order to receive CDBG formula funds from HUD, the City is required to prepare a Consolidated Plan and annual Action Plans describing its objectives to pursue goals for community planning and development programs, as well as housing programs. At a minimum, these goals are to include decent housing; a suitable living environment; and expanded economic opportunities, principally for low-to moderate-income households.

Under this program, a jurisdiction's level of funding is based on a formula that examines population, extent of poverty, housing overcrowding, age of housing and population growth lag. The Consolidated Plan is prepared in accordance with 24 CFR Part 91, and describes needs, resources, priorities and proposed activities to be undertaken over the next five years. Within 90 days of the end of the program year (June 30), a Consolidated Annual Performance Evaluation Report (CAPER) is due to HUD following a public comment period.

2. Summarize the objectives and outcomes identified in the Plan

- DECONCENTRATE AND DISPERSE AFFORDABLE HOUSING THROUGHOUT THE CITY
- ASSIST HOMELESS PERSONS AND PERSONS AT RISK OF HOMELESSNESS
- SUPPORT ELDERLY PERSONS AND PERSONS WITH SPECIAL NEEDS
- INCREASE AVAILABILITY OF AFFORDABLE HOMEOWNERSHIP AND HOUSING PRESERVATION TO LOW-MODERATE INCOME RESIDENTS
- IMPROVE THE SAFETY AND LIVABILITY OF NEIGHBORHOODS

3. Evaluation of past performance

Since prioritizing down payment and closing cost assistance to income qualified first-time homebuyers, the City has had no difficulty in spending its CDBG allocation in a timely manner. In fact, the City anticipates no carryover of prior year CDBG funds.

The City spends its "public service" funds in a single project: assistance with rent and utility assistance. Priority is to eligible households with an eviction notice and with incomes below 50 percent of Area Median Income.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	City of Gaithersburg	City Manager's Office/Economic Development Department

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

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County saw a decrease in that number as well this year: from 24 in 2015 to 13 in 2019. Homeless outreach workers interact with these unaccompanied youth on a regular basis. Gaithersburg does not conduct a separate count of its homeless residents.

The Interagency Commission on Homelessness has prioritized housing homeless persons and families as follows: Ending Veterans Homelessness; eliminating Chronic Homelessness; eliminating homelessness for families, youth and children; and setting a path to end all homelessness by 2020.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City receives no ESG funds. Although no longer a HUD grantee, the City complies with HMIS data requirements.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

1	Agency/Group/Organization	Housing Opportunities Commission
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment, Public Housing Needs, Housing Choice Voucher
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City works closely with HOC on waiting list information; consultation with Resident Services on City families; on the Hoarding Task Force
2	Agency/Group/Organization	Interagency Fair Housing Coordinating Group
	Agency/Group/Organization Type	Office of Human Rights
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City's Housing Chief is Chair of the Interagency Fair Housing Group; does research, works directly with OHR staff and chairs all meetings, and attends events on behalf of the Committee and Office of Human Rights.

<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Coordination of services, particularly with students on Free and Reduced Means (FARMS.)</p>
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AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City does not limit its citizen participation process to any one time of year. Our inclusionary policy of working with residents year round is reflected in Gaithersburg's active resident volunteer participation process. Numerous committees review the goals and objectives inherent in the Consolidated Plan. In coordination with staff, these committees meet regularly to evaluate and address the needs of low-income, special needs populations, and the City's multi-cultural heritage.

The broad Gaithersburg community, including nonprofits, residents and the financial and real estate community has expressed strong support of the City's continued funding of two housing programs: the eviction prevention and housing stabilization program funded through the public service allocation and closing cost and down payment assistance program to low income first time home buyers.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Residents; nonprofit agencies; business community members	No participation.	N/A	N/A	
2	Public Meeting				N/A	
3	Public Meeting	Residents; nonprofit agencies; business community members	No participation.	N/A	N/A	

Annual Action Plan

9

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Discussion N/A

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeownership assistance	2018	2022	Affordable housing	City	Downpayment/closing cost assistance	CDBG	Homeownership: 35 households able to purchase
2	Rental assistance	2018	2022	Affordable housing	City	Subsistence payments	CDBG	Homeless prevention 30 households

Table 6 – Goals Summary

Goal Descriptions

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Discussion

The City is committed to being a fully inclusive community, and thus encourages its residents to live in high opportunity areas with good schools, near transit and employment centers. Therefore, we use our CDBG funds throughout the entire City – not located in any single census tract or neighborhood as long as the individual household qualifies based on AMI.

AP-60 Public Housing – 91.220(h)

Introduction

No public housing units in the City.

Actions planned during the next year to address the needs to public housing – N/A

Actions to encourage public housing residents to become more involved in management and participate in homeownership The City encourages all of HOC's residents to consider homeownership and works directly with the County and public housing authority on MPDU acquisition for eligible first-time homebuyers. Further, the City's MPDU program is a perfect complement to households with Housing Choice Vouchers.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance N/A

Discussion

low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Discussion

As the Governing Board for the Continuum of Care, the Interagency Commission on Homelessness is charged with the development and implementation of its Strategic Plan and to review and monitor programs that are components of the COC, primarily to prevent and end homelessness among Veterans by the end of 2015 ; end chronic homelessness by the end of 2017; prevent and end homelessness for families, youth and children by 2020; and set a path to end all types of homelessness. The Commission is well on its way to achieving these goals: Functional Zero of veteran homelessness – December 2015; implemented a new Coordinated Entry process to serve single adults to ensure that individuals with the greatest needs are housed first; instituted performance measures to evaluate the system on housing retention, and length of time “homeless”. The County applied for and received a planning grant to develop a proposal to implement a supportive housing “Pay for Success” model by developing a permanent supportive housing program for justice-involved persons.

Gaithersburg hosts an annual Homeless Resource Day to connect homeless individuals with the community resources they need in a nonthreatening environment.

After a lengthy process, the Maryland Department of Health and Mental Hygiene approved a 1115 Medicaid Waiver Demonstrations Assistance in Community Integrations Services Pilot Program to maximize the utilization of Medicaid Funding for housing support services for individuals experiencing chronic homelessness or returning to homelessness from long-term institutionalization. This was a significant achievement for Montgomery County and its homeless residents.

Other goals underway include expansion of the Rapid Rehousing program by reducing the length of stay and allowing flexibility in the amount of rental assistance offered; strengthening the crisis response system, including the creation of a coordinated entry system, engagement of mainstream partners more meaningfully and retooling our service intervention at emergency shelters to address the unique needs of our homeless populations.

AP-85 Other Actions – 91.220(k)

Introduction:

The City consults broadly with agencies and organizations throughout the county, including its partnership with the Department of Housing and Community Affairs and the Department of Health and Human Services. Moreover, Gaithersburg staff consults with the City of Rockville and Takoma Park as well as with the multitude of nonprofit and community based agencies and local schools.

Actions planned to address obstacles to meeting underserved needs

To address under-served needs in the upcoming program year, the City will fund a range of public agencies with local funds – approximately \$ 1 Million including assistance to Gaithersburg schools that enhance students and families.

Actions planned to foster and maintain affordable housing

Using the HIF (housing trust fund) and leveraging those funds to encourage other partners, the City intends to offer loans and grants to increase affordable housing in all areas of the City over the next three – five years, preserving existing affordable housing properties, improving the interior and exteriors in exchange for keeping rents at or below the County’s voluntary rent guidelines. The City recently made substantial changes to its Affordable Housing Regulations, including reducing the for-sale pricing in both MPDU and WFHUs to expand the program to households below 80 percent of AMI, and now requires that MPDUs are required in any property converting to residential, and that the set aside be expanded to the life of the project as residential.

Actions planned to reduce lead-based paint hazards

Any residential property constructed before 1978 must be tested for lead-paint by a certified lead specialist, and if there is any presence of lead, the property must be remediated before the buyer receives any closing cost and down payment assistance loan funds from the City. The State updated its lead paint regulations in 2016. Owners must register their properties (if built before 1978) and renew the registration annually; they must obtain passing full risk reduction lead inspection certificates for their Affected properties; and must ensure that 50 percent of their (pre 1950) and Gaithersburg provides information on the hazards of lead-based paint when issuing rental housing licenses. T

Actions planned to reduce the number of poverty-level families

In the upcoming year, the City will award approximately \$850,000 to non-profits and schools with high percentages of low-income students under five program categories, all of which are designed to reduce poverty through a comprehensive approach including shelter, food, health, and financial and self-sufficiency. Gaithersburg has several public schools with higher percentages of free and reduced meal

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan
3. The amount of surplus funds from urban renewal settlements
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.
5. The amount of income from float-funded activities

Total Program Income

Other CDBG Requirements

1. The amount of urgent need activities